

PRESS RELEASE

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Contact: Peggy Anderson

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(701) 328-5657
1-800-472-2166, ext. 5657

State Investment Board Raises Cap on Bank of North Dakota MATCH Program to \$150 Million

Bismarck, ND – The State Investment Board recently expanded funding for Bank of North Dakota's (BND) MATCH Program from \$100 million to \$150 million. Since the program's inception, BND has financed 15 projects totaling \$97.2 million with four projects worth \$42.6 million pending.

The MATCH program is designed to encourage existing business expansion and attract financially strong companies to North Dakota. It is targeted to companies that generate new wealth to the state. First started in 1990, the program expanded from \$60 million to \$100 million of funding in 1999.

According to Steve Cochrane, executive director of the North Dakota Retirement and Investment Office (RIO), MATCH has maximized its former funding level. "This is a prime example of state agencies working together for the benefit of economic development in North Dakota," said Cochrane. "The MATCH Program has exceeded expectations and we felt it was time to raise the funding levels in order to meet business needs from all sectors of North Dakota's economy."

RIO's primary objective is to administer investment programs of several funds including the Public Employees Retirement System (PERS), the Teacher's Fund for Retirement (TFFR) and the Workforce Safety and Insurance Fund. The money used to fund the MATCH Program is invested by RIO in Certificates of Deposit at BND. The Bank uses those deposits to fund eligible companies through the MATCH Program.

"The MATCH program has been a great success in bringing new jobs to North Dakota," said Lt. Governor Jack Dalrymple, chair of the State Investment Board. "It's a win-win for everyone because there is very little risk and it keeps our money invested in North Dakota."

Companies seeking participation provide evidence of considerable financial strength as demonstrated by a long-term credit rating of "A" or better from a national rating agency. Through this program, BND will participate in loans to financially strong companies and provide interest rates at some of the lowest in the nation. Currently interest rates are .25% to .50% over the US Treasury rate with a 15-year maximum amortization.

BND President Eric Hardmeyer said, "By investing in financially established businesses we enhance North Dakota's opportunity for the creation of new wealth. We were reaching the cap on the program and wanted to continue to provide financing opportunities for expansion and job growth in a thriving economy."

The nation's only state-owned bank, BND was established in 1919 to encourage and promote agriculture, commerce and industry in North Dakota. BND is overseen by the Industrial Commission of North Dakota, consisting of Gov. John Hoeven as chairman, Attorney General Wayne Stenehjem, and Agriculture Commissioner Roger Johnson.